



DEPARTMENT OF THE ARMY
HEADQUARTERS, UNITED STATES ARMY FORCES COMMAND
1777 HARDEE AVENUE SW
FORT MCPHERSON, GEORGIA 30330-1062

REPLY TO
ATTENTION OF

AFLG-PR

3 Aug 00

MEMORANDUM FOR ALL FORSCOM Directorates of Contracting

SUBJECT: Contracting Information Letter (CIL) 00-37, Miscoding of Block C11 of Individual Contract Action Reports (DD Form 350)

- 1. Block C11 of the DD Form 350 indicates whether or not cost or pricing data was obtained. The enclosed memo from the Director, Defense Procurement states the DoD community is experiencing an 89 percent error rate in the coding of this block.**
- 2. For the most part, our entries should be "Y" for yes - data was obtained, or "N" for no - not obtained. The entry of "W" is to be used only when a waiver of cost or pricing data has been granted by the HCA.**
- 3. For additional information, please contact Steve Sullivan at 404-464-7175 or e-mail, sullivas@forscom.army.mil.**

TONI M. GAINES
Acting Chief, Contracting
Division
Acting Principal Assistant Responsible
for Contracting

Encl
as



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ACQUISITION AND
TECHNOLOGY

JULY 24, 2000

DP/CPF

MEMORANDUM FOR DIRECTORS OF DEFENSE AGENCIES
DEPUTY FOR ACQUISITION AND BUSINESS MANAGEMENT,
ASN(RD&A)/ABM
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE
(CONTRACTING), SAF/AQC
DEPUTY ASSISTANT SECRETARY OF THE ARMY
(PROCUREMENT)
EXECUTIVE DIRECTOR FOR PROCUREMENT MANAGEMENT
(DLSC/DLA)

SUBJECT: Miscoding of Block C11 of Individual Contract Action
Reports (DD Form 350)

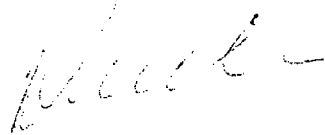
The Department of Defense Inspector General (DoDIG) is performing a review of waivers granted to Truth in Negotiations Act (TINA) requirements for submission of certified cost or pricing data. The IG staff has been frustrated by the fact that only 14 out of its initial sampling of 127 actions were correctly coded as "W" in Block C11 of the DD Form 350 submitted to the Defense Contract Action Data System (DCADS), meaning that data that would have otherwise been required by the TINA was not obtained because its submission was waived by the Head of the Contracting Activity.

This is an error rate in coding of 89 percent. Most of the actions reported to the DCADS database as Code "W" to indicate a waiver was granted were in fact actions exempt from TINA requirements, and should have been coded "N" for "No - not obtained," because the action was exempt by law from submittal of certified cost or pricing data. It appears that many in the DoD contracting community do not fully appreciate the significant difference between actions exempt from TINA requirements by law (Code N), such as contracts where the price was arrived at through adequate price competition or contracts for procurement of commercial items, and actions subject to TINA that have received a written waiver of submission of certified cost or pricing data (Code W) pursuant to FAR 15.403-1(c)(4).

The DoDIG has requested that action be taken to address this miscoding. Accordingly, on June 27, 2000, the Federal



Register published a final DFARS rule (DFARS Case 2000-D0001, effective October 1, 2000) that includes more specific instructions for filling out Block C11 of the DD Form 350 to indicate that Code W for waiver of cost or pricing data is used when the data was not obtained because the Head of the Contracting Activity waived the requirement. In addition, I request your immediate assistance in reminding your contracting professionals of the need to ensure accurate coding of DD Forms 350.

A handwritten signature in dark ink, appearing to read "Deidre A. Lee", with a horizontal line extending from the end of the signature.

Deidre A. Lee
Director, Defense Procurement